



SUMMARIES OF REVENUE & EXPENDITURES

ALL FUNDS SUMMARY REVENUES BY TYPE 2004-2007

SOURCES BY TYPE	2004 ACTUAL	2005 ADOPTED	2005 REVISED	2006 ADOPTED	2007 APPROVED
General property taxes	82,423,228	85,555,050	85,495,690	89,521,630	92,668,510
Motor vehicle tax	11,780,064	11,121,770	11,954,680	12,313,320	12,682,720
Local sales tax	44,738,967	43,717,200	45,857,440	47,003,880	48,178,980
Gas tax	14,873,758	15,096,560	15,368,620	15,829,670	16,304,570
Franchise fees	29,555,657	30,104,360	30,535,130	31,784,690	32,741,560
Water/Sewer utility fees	34,269,571	68,210,490	65,292,330	69,938,710	74,755,270
Other enterprise fees	7,969,966	8,439,670	8,898,830	9,245,150	9,416,540
Internal service revenues	47,351,462	55,872,930	49,882,560	53,872,800	57,539,900
Special assessments	25,236,426	21,727,820	26,001,950	28,039,640	28,689,480
Operating grants / shared revenues	6,657,751	6,153,150	6,276,540	6,403,650	6,500,400
Transient guest tax	4,926,128	4,577,310	4,638,390	4,719,560	4,813,950
Fines and penalties	7,933,219	9,265,590	8,498,900	9,297,070	9,591,550
Licenses and permits	6,162,669	7,665,300	7,209,260	7,609,220	7,664,410
Interest earnings	5,825,233	6,519,260	6,341,980	6,728,060	7,651,190
Charges for services and sales	50,721,723	23,312,550	21,315,260	23,333,050	24,641,210
Rental income	15,983,261	15,711,660	17,082,500	17,336,210	17,543,130
Administrative charges	3,007,107	3,482,110	3,857,110	3,783,310	3,471,280
Other revenues and transfers in	37,906,363	31,457,490	42,349,840	40,763,160	42,163,730
Grand total sources	437,322,553	447,990,270	456,857,010	477,522,780	497,018,380
Interfund transactions	76,005,435	83,171,400	87,989,700	90,513,170	94,605,300
Net annual budget sources	361,317,118	364,818,870	368,867,310	387,009,610	402,413,080

Due to GASB 34 several trust funds were reassigned as special revenue funds, beginning in 2002. Comparisons to years prior to 2002 will be skewed as a result.

Note: Totals exclude appropriated fund balance reserves. Trust Funds and Enterprise Construction Funds are also excluded.



EXPENDITURES BY CATEGORY 2004-2007

EXPENDITURES BY CATEGORY		2004 ACTUAL	2005 ADOPTED	2005 REVISED	2006 ADOPTED	2007 APPROVED
110	Regular Salaries	106,504,417	115,041,030	116,462,100	123,087,360	128,183,150
120	Special Salaries	3,860,843	3,786,440	3,761,130	3,775,110	3,794,020
130	Overtime	4,441,414	2,400,000	2,563,700	2,470,980	2,471,060
140	Employee Benefits	33,502,679	39,396,000	35,950,670	39,318,020	44,575,410
150	Planned Savings	0	(3,731,090)	(2,209,690)	(4,089,220)	(6,196,180)
Personal Services		148,309,354	156,892,380	156,527,910	164,562,250	172,827,460
210	Utilities	12,750,262	14,419,460	14,210,460	14,374,030	14,468,340
220	Communications	1,728,757	1,703,280	1,707,230	1,795,930	1,796,860
230	Transportation and Training	308,224	539,910	698,890	651,780	660,020
240	Insurance	1,608,428	1,339,560	1,334,030	1,912,040	1,921,080
250	Professional Services	27,899,602	26,837,080	26,940,660	27,266,240	24,661,540
260	Data Processing	4,921,298	5,939,670	5,911,260	6,474,610	6,331,480
270	Equipment Charges	8,783,947	8,990,570	9,015,040	9,265,870	9,366,070
280	Buildings and Grounds Charges	1,885,591	1,713,450	1,773,870	1,712,730	1,745,990
290	Other Contractuals	3,857,075	4,767,950	5,674,710	5,528,640	5,236,810
Contractuals		63,743,183	66,250,930	67,266,150	68,981,870	66,188,190
310	Office Supplies	380,090	522,480	542,060	576,220	563,440
320	Clothing and Towels	702,421	702,010	785,870	802,890	831,900
330	Chemicals	2,728,285	3,434,680	3,153,020	2,872,150	2,790,970
340	Equipment Parts and Supplies	3,839,857	4,156,950	4,137,650	4,475,460	4,277,060
350	Materials	1,601,243	2,245,550	2,270,790	2,177,440	2,192,440
370	Building Parts and Materials	161,977	509,830	510,730	503,930	503,930
380	Non-capitalizable Equipment	2,548,748	2,265,490	2,641,520	2,447,970	2,452,420
390	Other Commodities	(7,577)	730,310	695,730	686,780	693,510
Commodities		11,955,045	14,567,300	14,737,370	14,542,840	14,305,670
410	Land	0	0	0	0	0
420	Buildings	130	567,060	332,060	407,060	117,060
430	Improvements Other Than Bldgs.	0	17,000	0	0	0
440	Office Equipment	182,163	206,950	306,860	259,080	194,690
450	Vehicular Equipment	392,932	1,553,740	1,398,160	1,565,870	617,170
460	Operating Equipment	3,929,215	2,531,190	2,918,860	2,495,160	2,471,440
Capital Outlay		4,504,439	4,875,940	4,955,940	4,727,170	3,400,360
510	Interfund Transfers	27,093,655	20,583,420	13,035,830	14,684,670	9,577,980
520	Debt Service	104,262,878	98,514,840	94,810,840	135,696,310	114,970,850
530	Other Nonoperating Expenses	4,564,584	42,840,740	9,040,770	42,473,650	11,724,880
540	Inventory Accounts	3,031,155	4,582,200	4,629,740	4,590,200	4,590,200
Other		138,952,271	166,521,200	121,517,180	197,444,830	140,863,910
Total Expenditures		367,464,292	409,107,750	365,004,550	450,258,960	397,585,590



EXPENDITURES BY FUNDS 2004-2007

EXPENDITURES BY FUND	2004 ACTUAL	2005 ADOPTED	2005 REVISED	2006 ADOPTED	2007 APPROVED
General Fund	161,122,985	168,651,870	169,606,460	177,025,170	182,560,230
Debt Service	78,216,794	69,433,540	69,433,540	107,108,020	84,859,890
Total tax levy funds	239,339,778	238,085,410	239,040,000	284,133,190	267,420,120
Tourism & Convention Promotion	4,633,681	4,618,480	4,618,480	5,124,200	4,845,460
Downtown Trolley System *	111,772	143,370	143,370	145,210	143,460
Special Alcohol Programs	1,335,528	1,730,820	1,611,250	1,635,980	1,555,980
Special Parks & Recreation	1,386,980	1,415,000	1,415,000	1,481,000	1,500,000
Ice Rink Management *	1,178,182	1,250,000	1,199,420	956,190	956,190
Landfill	460,797	3,586,470	1,782,900	4,062,270	667,510
Landfill Post Closure *	1,158,452	27,253,410	5,346,570	23,601,910	1,762,780
Central Inspection	5,230,511	5,584,740	5,394,420	5,509,770	5,623,470
Economic Development *	3,385,483	1,740,690	5,570,580	1,787,100	1,803,450
Sales Tax Construction Pledge *	20,568,330	24,507,930	24,507,930	28,643,890	24,386,540
Property Management Operations	1,745,246	2,252,670	1,383,570	1,861,740	1,194,130
State Office Building Complex	985,285	1,600,640	1,310,180	1,341,750	1,022,650
TIF Districts	5,332,476	13,397,410	6,799,500	13,973,170	6,406,120
SSMID	589,880	591,150	591,150	614,790	614,790
City/County Joint Operations *	2,912,204	3,149,790	3,068,590	3,310,420	3,411,780
Art Museum Board *	1,322,408	1,322,460	1,322,460	1,282,460	1,282,460
Cemetery Fund *	21,476	29,400	29,400	29,400	29,400
Total special revenue funds	52,358,691	94,174,430	66,094,770	95,361,250	57,206,170
Airport	14,047,469	15,353,970	15,350,270	15,864,110	16,441,170
Golf Course Operations	3,690,420	4,221,160	4,819,560	5,060,320	4,942,600
Transit	5,232,502	5,533,780	5,468,660	5,458,530	5,572,000
Sewer Utility Operations	28,293,472	31,741,190	30,448,910	32,341,100	33,449,880
Water Utility Operations	36,227,786	42,479,190	39,594,380	42,531,380	44,274,850
Storm Water Management	5,189,966	6,823,310	6,132,740	8,810,810	7,573,610
Total enterprise funds	92,681,615	106,152,600	101,814,520	110,066,250	112,254,110
Information Technology	6,849,704	7,809,700	7,809,700	9,142,600	7,637,890
Equipment Motor Pool	11,028,260	13,618,790	11,204,120	13,563,820	11,405,970
Stationery Stores	794,568	1,190,750	1,069,490	1,130,550	981,960
Self Insurance	33,056,437	39,012,060	33,277,420	34,912,380	38,679,140
Total internal service funds	51,728,970	61,631,300	53,360,730	58,749,350	58,704,960
Gross expenditures	436,109,054	500,043,740	460,310,020	548,310,040	495,585,360
Interfund transactions	68,644,762	90,935,990	95,305,470	98,051,080	97,999,770
Net annual budget uses	367,464,292	409,107,750	365,004,550	450,258,960	397,585,590

* These funds were formerly trust funds. As a result of GASB 34 they were reassigned as special revenue funds in 2002.

Note: Totals do not include appropriated fund balance reserve. Trust Funds and Enterprise Construction Funds are also excluded.



GENERAL FUND MULTI-YEAR OVERVIEW

	2004 ACTUAL	2005 ADOPTED	2005 REVISED	2006 ADOPTED	2007 APPROVED
Budgeted operating revenue:					
General property taxes	52,522,229	53,944,490	54,144,490	56,591,740	58,685,410
Special assessments	8,173	21,350	29,350	29,350	29,350
Franchise fees	29,555,657	30,104,360	30,535,130	31,784,690	32,741,560
Motor vehicle tax	8,024,548	7,635,870	8,104,790	8,347,930	8,598,370
Local sales tax	22,369,484	21,858,600	22,928,720	23,501,940	24,089,490
Intergovernmental					
Gasoline tax	14,873,758	15,096,560	15,368,620	15,829,670	16,304,570
State-shared revenues	1,595,004	1,667,770	1,667,770	1,695,510	1,695,510
Licenses and permits	1,958,895	2,543,390	2,292,380	2,476,500	2,476,500
Fines and penalties					
Court	7,585,890	8,835,400	8,061,680	8,616,430	9,139,000
Other	347,330	430,190	437,220	680,640	452,550
Rental income	2,258,046	2,851,230	2,777,620	2,835,080	2,911,080
Interest earnings	3,291,244	3,024,420	3,301,870	3,378,800	3,458,550
Charges for services and sales	7,292,036	8,413,440	7,785,380	8,549,280	8,862,360
Administrative charges	3,007,107	3,482,110	3,857,110	3,783,310	3,471,280
Transfers from other funds	5,289,223	7,661,940	7,456,040	7,421,640	7,146,870
Reimbursed expenditures	2,374,966	1,080,750	858,290	1,502,660	2,181,150
Total budgeted operating revenues	162,353,589	168,651,870	169,606,460	177,025,170	182,243,600
Budgeted operating expenditures:					
Personal services	112,442,168	118,133,130	118,347,910	124,384,590	130,960,570
Contractuals	33,340,580	35,621,150	35,554,390	36,892,740	36,505,590
Commodities	4,851,696	5,602,570	6,110,950	6,011,580	5,923,120
Capital outlay	597,314	644,230	881,430	1,149,930	591,780
Other	9,891,227	8,650,790	8,711,780	8,586,330	8,579,170
Total budgeted operating expenditures	161,122,985	168,651,870	169,606,460	177,025,170	182,560,230
Subtotal budgeted operating revenues over (under) budgeted operating expenditures	1,230,604	0	0	0	(316,630)
Unencumbered cash/fund balance as of January 1	20,769,068	20,769,068	21,999,672	21,999,672	21,999,672
Residual equity transfer	0	0	0	0	0
Total unencumbered cash/fund balance as of December 31					
Appropriated reserve	9,408,487	11,749,023	10,794,433	12,522,298	11,957,172
Unappropriated reserve	12,591,184	9,020,045	11,205,239	9,477,373	9,725,870
<i>Unencumbered cash as a percentage of expenditures</i>	<i>13.7%</i>	<i>12.3%</i>	<i>13.0%</i>	<i>12.4%</i>	<i>11.9%</i>
One mill of assessed value	2,458,947	2,539,714	2,545,942	2,673,855	2,779,731
Increase in value of mill (%)	7.77%	3.28%	3.54%	5.02%	4.00%
General Fund mill levy	21.886	21.905	21.852	21.828	21.828
Debt Service Fund mill levy	<u>10.019</u>	<u>10.000</u>	<u>9.976</u>	<u>10.000</u>	<u>10.000</u>
Total mill levy	31.905	31.905	31.828	31.828	31.828
General Fund (excluding delinquency)	50,586,220	50,586,220	52,294,490	54,863,020	57,035,410
Debt Service Fund (excluding delinquency)	<u>23,156,890</u>	<u>23,156,890</u>	<u>23,873,310</u>	<u>25,134,240</u>	<u>26,129,470</u>
Total property tax (excluding delinquency)	73,743,110	73,743,110	76,167,800	79,997,260	83,164,880



2008 PROJECTED	2009 PROJECTED	2010 PROJECTED
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61,030,830	63,440,060	65,976,860
0	0	0
33,563,200	34,411,620	35,287,560
8,856,320	9,122,010	9,395,670
24,619,460	25,407,280	25,966,240

16,793,710	17,297,520	17,816,440
1,737,960	1,781,680	1,826,710
2,526,020	2,576,530	2,628,090

9,276,170	9,415,280	9,556,490
457,080	461,650	466,270
2,969,290	3,028,690	3,089,260
3,510,430	3,563,100	3,616,550
9,039,590	9,220,330	9,404,700
3,540,710	3,611,530	3,683,740
7,147,250	7,147,630	7,148,010
2,192,060	2,203,030	2,214,050

187,260,080	192,687,940	198,076,640
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135,883,520	141,060,350	146,509,310
37,199,140	37,906,320	38,627,410
6,041,600	6,162,450	6,285,710
603,620	615,680	628,000
8,750,750	8,925,760	9,104,270

188,478,630	194,670,560	201,154,700
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(1,218,550)	(1,982,620)	(3,078,060)
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21,683,042	20,464,492	18,481,872
0	0	0

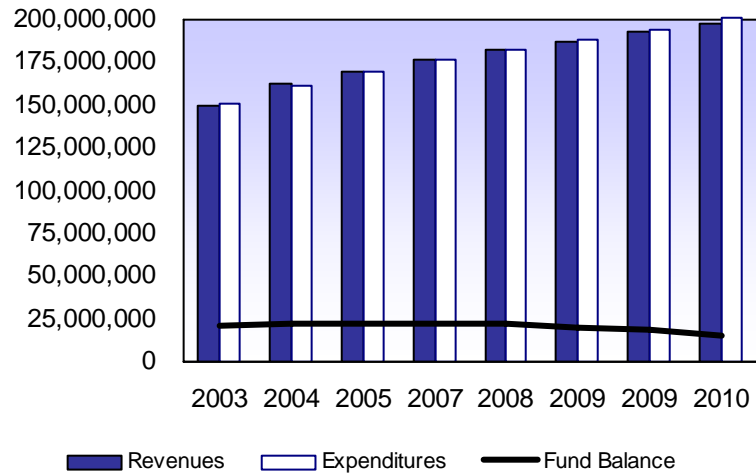
10,514,819	8,331,756	5,091,502
9,949,672	10,150,116	10,312,310

10.9%	9.5%	7.7%
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2,890,920	3,006,557	3,126,819
4.00%	4.00%	4.00%
21.828	21.828	21.828
<u>10.000</u>	<u>10.000</u>	<u>10.000</u>
31.828	31.828	31.828

59,316,830	61,689,500	64,157,080
<u>27,174,650</u>	<u>28,261,640</u>	<u>29,392,100</u>
86,491,480	89,951,140	93,549,180

General Fund Revenues and Expenditures 2003 - 2010





GENERAL FUND ASSUMPTIONS

REVENUE ASSUMPTIONS:

REVENUES (OVERALL) ...

- ❑ will grow 4.5% in the current year, due to strong growth in the assessed valuation of property, steady growth in the other major revenue sources (local sales tax, franchise fees, and the motor fuel tax), and one-time "windfalls" to the General Fund;
- ❑ will grow 3.2% annually through the planning period (2006-2010). Since 1996, on an actual basis, revenues increased an average 2.8% annually, but have increased an annual average of 3.3% in the past five years.
- ❑ are affected in the out years by moderating growth in assessed valuation, an assumed rate increase for electric rates (affecting franchise fees), moderate/normative growth in most other operating revenues, the absence of any significant one-time sources, and increased economic activity in 2009 when construction of the Downtown Arena is completed.

CURRENT PROPERTY TAXES ...

- ❑ represent more than 30% of total General Fund revenues. As recently as 1996, only 25% of GF revenue was derived from the current year property tax.
- ❑ will grow 3.4% in 2005 (approximately \$1.7 million).
- ❑ will grow 5% in 2006 and 4% annually thereafter. No change in the taxing rate is assumed.
- ❑ have, until recent years, benefited from aggressive annexation activity. From 2000 to 2002, annexation activity accounted for 1.5%, 1.9%, and 1.4% of annual assessed valuation growth, respectively. It has accounted for 0% in each of the past two years. County growth rates are more indicative of true growth patterns (exclusive of annexation activity).
- ❑ relate directly to assessed valuation, which reflects the following historical budget year growth rates:

Year	City	County
1996	1.1%	2.7%
1997	3.8%	4.1%
1998	4.5%	6.0%
1999	4.9%	5.1%
2000	8.0%	6.0%
2001	9.5%	7.3%
2002	5.4%	5.1%
2003	4.2%	3.7%
2004	7.8%	7.9%
2005	3.5%	4.0%
10 yr avg	5.3%	5.2%

Prior to 1998, growth had not exceeded 4% for at least ten years. The recent growth, reflecting strong demand for housing and commercial real estate, has been the product of historically low mortgage rates and strong appreciation of real estate assets. It is unlikely that assessed values will continue to increase at the recent extraordinary rates.

FRANCHISE FEES ...

- ❑ for utilities as a group are projected to increase 3.3% in the current year and increase at an annual average rate of 2.9% through the planning period (2006-2010). The actual annual growth rate since 1996 has been 1.7% (note: growth in this period was substantially impacted by a 17% reduction in electric rates).
- ❑ assumes electric franchise fee revenue will increase 5.7% in the current year, based on year-to-date collections and recent climatic conditions. Electric franchise fees account for 45% of the total franchise fees collected.
- ❑ anticipates an increase in electric rates (franchise fees are indexed to the utility's gross revenue). The state regulated utility has requested a 6% rate hike, but only a 3% increase is assumed in this forecast.
- ❑ assume cable receipts will increase 7.5% in the current year, based upon year-to-date receipts, and will increase 3% annually through the planning period.
- ❑ continue to experience substantial declines in SW Bell franchise fees due to the growing ubiquity of cell phones. The current year anticipates a 10% decline, followed by an average annual decline of 3% in 2006-2010.

MOTOR VEHICLE PROPERTY TAXES ...

- ❑ are extremely difficult to forecast due to highly irregular and abnormal distribution patterns.
- ❑ are principally determined by the level of vehicle sales, which are currently buoyed by significant dealer incentives.
- ❑ have historically grown at 3.7% annually (1996 to 2004), but has grown only 3.4% (annual average) the past three years.
- ❑ are conservatively assumed to grow an average of 3% annually through the planning period (2006-2010), but will experience only a 1% growth in the current year.

LOCAL SALES TAXES ...

- ❑ were 12.6% greater in 2004 than in 2003. Of that, 10.1% was attributable to changes in state law regarding the compensating use tax (a change that expanded the base to which the local tax is applied), and 2.5% was attributable to increased taxable retail sales.
- ❑ are expected to grow at an average 2.5% annually through the planning period (ranging from a low of 2.2% in 2008 to a high of 3.2% in 2009 when the Downtown Arena is completed). Actual annual growth since 1996 has been 3.8%, but that was greatly skewed by the extraordinary growth in 2004 as a result of the compensating use tax change. Excluding 2004, annual growth since 1986 has been 2.6%

GAS TAX REVENUES ...

- ❑ are volume based on wholesale gallons sold. High prices were expected to lower the quantity sold in the current year (1.5% growth in the Adopted Budget); however, year-to-date receipts suggest a current year growth of 3.3%.



The long-term forecast assumes 3% annual growth in annual growth, consistent with historical trends.

STATE-SHARED REVENUES ...

- ❑ no longer include Local Ad Valorem Tax Reduction (LATVR) fund or City County Revenue Sharing (CCRS) fund revenue from the state (called "demand transfers"). These amount to an annual loss of about 5% of total General Fund revenue.
- ❑ continue to include the 1/3 alcohol tax distribution and LINK and KLINK payments for the shared maintenance responsibility of state roads and highways.
- ❑ are projected to increase 4.6% in the current year and 1.8% annually throughout the planning period.

FINES AND PENALTIES...

- ❑ include two components – Other, which is primarily from the Library (about 5% of total fines and penalties), and Court (about 95%).
- ❑ were aided by a Library collections policy change to lower the threshold amount – from \$40 to \$25 – that triggers when delinquent accounts are referred to the collection agency.
- ❑ decreased 6.2% in 2004. An 8.5% increase in Other fines was more than offset by a decrease in the Court component. Court fines were down due to decreased enforcement activity by Police and issues with providing delinquent account information for the collection agency.
- ❑ are projected to rebound, increasing 7.1% in the current year and 3.4% annually throughout the planning period, although legislative action to help reduce delinquencies could improve Court collections in the future.

LICENSES AND PERMITS ...

- ❑ appear to be increasing 17% in 2005. That is misleading because 6.4% is due to an accounting change moving \$125,000 of activity into this category.
- ❑ includes a full year of the rate increase for alarm fees implemented in 2004, which represents 12.9% of the estimated current year increase.
- ❑ would actually be decreasing 0.7% without the two previously described items, principally a result of fewer street, curb, and sidewalk cut permits.
- ❑ are continually monitored to identify areas where increasing enforcement costs require offsetting rate adjustments.

CURRENT SALES AND SERVICES...

- ❑ is received in roughly the following proportions: engineering overhead – 29%; street, sidewalk and related permits – 20%; Park fees – 20% (13% recreation and 7% other, including Century II); activities of the Environmental Services function – 10%; public safety services (accident forms, fingerprinting, dispatching, etc.) – 6%; sale of land - \$7%; all other 8%.
- ❑ includes \$350,000 annual revenue from the new Box Office ticketing system at the convention center.

- ❑ are assumed to grow 6.8% in 2005 and an average 3.9% annually from 2006 to 2010.

ADMINISTRATIVE CHARGES ...

- ❑ are reviewed by an external accounting firm and revised annually during budget development.
- ❑ includes \$300,000 annually to be received from assessing administrative charges to capital projects, and also includes a one-time \$375,000 receipt for prior-year projects in 2005 and a one-time \$325,000 in 2006.

TRANSFERS IN ...

- ❑ are reviewed during the budget process and many items are adjusted to reflect changes in costs.
- ❑ include transfers from enterprise operations to recognize and offset the costs of providing public safety services.
- ❑ includes an annual transfer from the Landfill Post Closure Fund. As the remediation liability reduces, the reserve resources for that contingency are moved to the General Fund.
- ❑ includes a transfer from the Property Management Fund (\$473,820) in 2006 to "repay" the General Fund for resources initially provided to establish the PM Fund, before property acquisition resources were sufficient to make it a self-supporting operation.
- ❑ includes an infusion of one-time resources, including \$575,460 from closing out old, obsolete general ledger projects; refunding accumulated and unused grant match dollars (\$300,000); and the Property Management Fund transfer (in 2006).

INTEREST EARNINGS ...

- ❑ are improving, but are not to the levels experienced in the late '90's and early this decade.
- ❑ will increase negligibly in the current year, but should average annual increases of 1.8% through the planning period.
- ❑ includes the Pooled Investment Management (PIM) charge, which is assessed to other funds benefiting from the investment program.

RENTAL INCOME ...

- ❑ is derived mostly (56%) from Century II and Expo Hall.
- ❑ includes \$150,000 annually, beginning in 2005, from the sand mining lease at Kingsbury.

REIMBURSEMENTS...

- ❑ include a one-time amount of \$1,006,000 in 2004, reflecting several capital projects being closed and the balances being swept back into the General Fund.
- ❑ include \$250,000 annually from USD 259 in the current year and in 2006 to offset costs for 10 (of the 22 total) School Resource Officers. In 2007, the budget assumes a reimbursement of \$1.58 million for the cost of all 22 SROs.
- ❑ assume project balances from completed projects will be closed to the General Fund in 2006 sufficient to provide \$650,000.



EXPENDITURE ASSUMPTIONS:

EXPENDITURES (OVERALL) ...

- ❑ increase 5.3% in the current year, and increase 3.5% annually through the planning period (2006-2010).
- ❑ increase at a rate greater than the rate of increase for revenues through the planning period.
- ❑ are most impacted by growth-driven service requirements, personal services increases for wages and employee benefits, and economic development items.
- ❑ assume 7 new Firefighter positions in mid-2006 (to go with the 10 added in 2004) and matching support for a grant to add 17 new Firefighters (assuming a net new fire station) late in 2006. These assumptions are in harmony with approved capital projects in the Capital Improvement Program (CIP). Failure to secure a Fire SAFER grant will require reprioritizing expenditures in 2007 in order to provide staffing for a new station.
- ❑ provide for enhanced City Hall security, as approved in 2004 and in accordance with the City Hall security plan. This includes 17 new positions.

PERSONAL SERVICES ...

- ❑ represent 70% of General Fund expenditures (2006).
- ❑ assume 4.4% average annual increases between 2006 and 2010, including all personal service items, such as base wages and wage-driven benefits (pension, social security, and workers comp), health and life insurance, specialty pay, overtime, and new positions added for the fire system expansion.
- ❑ absorb base wage annual pay adjustments consistent with approved bargaining unit contracts, allow for performance-based merit increases, and assume 3% annual general pay adjustments in all years going forward beyond existing wage agreements for all employee groups.
- ❑ assume an 11% and 15% increase in health insurance costs for 2006 and 2007, respectively. Assumptions beyond 2007 are estimated at 10% annually. Cost containment strategies currently under consideration will likely impact this assumption.
- ❑ assume a graduated increase of the employer contribution to the Police and Fire pension program, increasing from 14% (currently) to 18% in 2007.

OPERATING TRANSFERS OUT ...

- ❑ are mostly subsidies or contributions to support operating functions residing in other funds, such as the joint City-County operations, the Economic Development effort, Transit, Tort liability, and Art Museum.
- ❑ include an on-going annual subsidy of \$1,000,000 to the Economic Development Fund, but also assumes a contingent revenue of up to \$600,000.

ALL OTHER OPERATING EXPENDITURES ...

- ❑ are projected to increase overall at an average annual rate of 1.4%, significantly less than the 2.2% inflation estimates from the Congressional Budget Office.

FUND BALANCE (DECEMBER 31) ...

- ❑ cannot completely sustain current operating expenses, subsidies, and pending initiatives for the entire trending period without adjustments.
- ❑ based on the assumptions shown above, will be at 13% of annual expenditures in 2005, 12.4% (2006), 11.9% (2007). Council policy has established 10% as the minimum level of General Fund reserves. Remediation action will be taken to avoid drawing down reserves below minimally acceptable levels.



FUND SUMMARIES 2004-2007

FUND		2004 ACTUAL	2005 ADOPTED	2005 REVISED	2006 ADOPTED	2007 APPROVED
Special Revenue Funds						
Tourism and Convention Promotion	Revenues	4,943,227	4,598,060	4,655,660	4,737,520	4,832,090
	Expenditures	4,633,681	4,618,480	4,618,480	5,124,200	4,845,460
	Year-End Balance	605,765	210,719	642,945	256,265	242,895
Downtown Trolley System	Revenues	94,372	128,440	143,440	143,440	143,440
	Expenditures	111,772	143,370	143,370	145,210	143,460
	Year-End Balance	21,661	6,811	21,731	6,961	69,410
Special Alcohol Program	Revenues	1,395,492	1,397,200	1,416,000	1,451,150	1,487,180
	Expenditures	1,335,528	1,730,820	1,611,250	1,635,980	1,555,980
	Year-End Balance	461,081	85,056	265,831	81,001	12,201
Special Parks and Recreation	Revenues	1,390,989	1,392,200	1,408,500	1,446,150	1,482,180
	Expenditures	1,386,980	1,415,000	1,415,000	1,481,000	1,500,000
	Year-End Balance	115,233	92,433	108,733	73,883	56,063
Ice Rink Management	Revenues	1,180,332	1,250,000	1,197,270	956,190	956,190
	Expenditures	1,178,182	1,250,000	1,199,420	956,190	956,190
	Year-End Balance	102,150	100,000	0	0	0
Landfill	Revenues	798,989	533,960	501,060	537,840	574,800
	Expenditures	460,797	3,586,470	1,782,900	4,062,270	667,510
	Year-End Balance	4,914,619	177,913	3,632,779	108,349	15,639
Landfill Post Closure	Revenues	307,091	895,120	456,790	595,980	736,230
	Expenditures	1,158,450	27,253,410	5,346,570	23,601,910	1,762,780
	Year-End Balance	28,922,857	1,312,266	24,033,077	1,027,147	597
Central Inspection	Revenues	4,804,789	5,713,260	5,792,310	5,855,880	5,914,060
	Expenditures	5,230,510	7,184,740	5,394,420	7,109,770	5,623,470
	Year-End Balance	1,076,373	244,154	1,474,263	220,373	510,963
Economic Development	Revenues	3,318,134	1,627,500	5,090,000	1,625,000	1,785,000
	Expenditures	3,385,483	1,740,690	5,570,580	1,787,100	1,803,450
	Year-End Balance	819,598	124,737	339,018	176,918	158,468
Sales Tax Construction Pledge	Revenues	22,419,929	21,935,770	23,025,400	23,682,920	24,384,930
	Expenditures	20,568,330	24,507,930	24,507,930	28,643,890	24,386,540
	Year-End Balance	6,445,237	19	4,962,707	1,737	127
Property management	Revenues	1,393,162	1,099,130	951,480	951,480	1,117,480
	Expenditures	1,745,246	2,252,670	1,383,570	1,861,740	1,194,130
	Year-End Balance	1,426,013	100,487	993,923	83,663	7,013
State Office Building	Revenues	980,434	1,110,960	990,730	990,730	990,730
	Expenditures	985,285	1,600,640	1,310,180	1,341,750	1,022,650
	Year-End Balance	733,514	62,865	414,064	63,044	31,124



FUND		2004 ACTUAL	2005 ADOPTED	2005 REVISED	2006 ADOPTED	2007 APPROVED
Gilbert & Mosley TIF	Revenues	5,162,203	3,005,040	3,875,000	3,040,040	3,040,040
	Expenditures	3,659,745	5,715,190	2,788,430	6,360,990	3,024,850
	Year-End Balance	2,452,680	279,082	3,539,250	218,300	233,490
North Industrial Corridor TIF	Revenues	1,187,401	1,195,300	1,184,210	1,207,300	1,213,300
	Expenditures	768,477	3,618,250	1,419,660	3,884,090	1,199,090
	Year-End Balance	2,912,336	155,532	2,676,886	96	14,306
East Bank TIF	Revenues	454,677	497,970	504,870	579,420	580,920
	Expenditures	492,850	1,050,400	1,010,400	590,350	609,690
	Year-End Balance	545,568	48,431	40,038	29,108	338
Old Town TIF	Revenues	438,651	700,400	482,280	690,650	694,150
	Expenditures	194,404	1,624,450	110,000	1,810,640	243,930
	Year-End Balance	750,472	17,975	1,122,752	2,762	452,982
21 st and Grove TIF	Revenues	68,937	79,880	20,120	20,270	20,370
	Expenditures	78,000	79,880	20,200	20,200	20,400
	Year-End Balance	99	2	19	89	59
Central and Hillside TIF	Revenues	87,147	1,127,600	885,390	983,520	984,960
	Expenditures	87,000	1,127,600	885,390	983,520	984,960
	Year-End Balance	147	0	147	147	147
Old Town Cinema TIF	Revenues	52,252	181,640	562,670	323,080	323,300
	Expenditures	52,000	181,640	562,920	323,080	323,300
	Year-End Balance	252	0	2	2	2
SSMID	Revenues	592,608	591,150	591,150	614,790	614,790
	Expenditures	589,880	591,150	591,150	614,790	614,790
	Year-End Balance	27,615	7	27,615	27,615	27,615
City/County Operations	Revenues	2,912,203	2,995,130	3,068,590	3,310,420	3,411,780
	Expenditures	2,912,203	3,149,790	3,068,590	3,310,420	3,411,780
	Year-End Balance	0	-99,157	0	0	0
Art Museum Board	Revenues	1,281,251	1,282,460	1,282,460	1,282,460	1,282,460
	Expenditures	1,322,408	1,322,460	1,322,460	1,282,460	1,282,460
	Year-End Balance	50,638	11,795	10,638	10,638	10,638
Cemetery	Revenues	35,533	37,000	37,000	37,000	37,000
	Expenditures	21,476	29,400	29,400	29,400	29,400
	Year-End Balance	827,525	828,668	835,125	842,725	850,325
Enterprise Funds						
Airport	Revenues	18,386,946	19,333,250	19,700,400	19,983,650	20,147,250
	Expenditures	14,047,469	15,353,970	15,350,270	15,864,110	16,441,170
	Year-End Net Assets	112,730,750	102,864,768	110,578,760	108,287,630	105,747,040
Golf	Revenues	3,576,454	4,148,570	4,397,730	4,770,550	4,898,030
	Expenditures	3,690,420	4,221,160	4,819,560	5,060,320	4,942,600
	Year-End Net Assets	5,940,183	6,210,259	5,728,293	5,632,083	5,612,503



FUND		2004 ACTUAL	2005 ADOPTED	2005 REVISED	2006 ADOPTED	2007 APPROVED
Transit	Revenues	9,364,944	9,458,830	9,458,830	9,501,830	9,501,830
	Expenditures	9,281,905	9,932,740	9,382,280	9,290,130	9,457,490
	Year-End Net Assets	21,270,072	17,974,232	20,226,312	19,253,012	18,137,352
Sewer Utility	Revenues	28,593,011	29,373,700	28,850,010	31,223,210	33,262,920
	Expenditures	28,293,472	31,741,190	30,448,910	32,341,100	33,449,880
	Year-End Net Assets	216,035,603	204,540,402	214,407,353	213,595,343	214,165,823
Water Utility	Revenues	37,949,927	41,273,700	38,874,880	41,417,180	44,749,010
	Expenditures	36,227,785	42,479,190	39,594,380	42,531,380	44,274,850
	Year-End Net Assets	274,550,310	270,469,259	275,447,000	276,836,350	278,975,740
Storm Water Utility	Revenues	6,020,692	5,876,300	5,572,020	6,572,780	7,598,350
	Expenditures	5,189,966	6,823,310	6,132,740	8,810,810	7,573,610
	Year-End Net Assets	72,033,427	58,013,439	72,454,677	71,386,207	70,890,547
Internal Service Funds						
Information Technology	Revenues	7,230,938	7,127,150	7,591,870	7,990,200	7,755,200
	Expenditures	6,849,704	7,809,700	7,809,700	9,142,600	7,637,890
	Year-End Net Assets	3,153,559	1,989,175	3,204,749	2,086,429	2,118,739
Equipment Motor Pool	Revenues	10,458,850	10,341,460	10,406,360	10,863,820	11,024,140
	Expenditures	11,028,260	13,618,790	11,204,120	13,563,820	11,405,970
	Year-End Net Assets	15,002,073	12,929,397	14,776,263	12,953,873	13,249,173
Stationery Stores	Revenues	773,478	955,000	975,000	975,000	975,000
	Expenditures	794,568	1,190,750	1,069,490	1,130,550	981,960
	Year-End Net Assets	349,709	115,689	255,219	99,669	92,709
Self Insurance	Revenues	28,897,931	37,408,060	30,909,330	34,043,780	37,785,560
	Expenditures	33,056,437	39,012,060	33,277,410	34,912,370	38,679,130
	Year-End Net Assets	15,146,364	16,142,129	12,743,584	11,840,294	10,912,024

Note: Trust Funds and Enterprise Construction Funds are excluded

OTHER FUNDS' ASSUMPTIONS

TOURISM AND CONVENTION PROMOTION...

- ❑ Guest Tax revenues are expected to increase 1.76% annually, not including taxes related to special events.
- ❑ Expenditures fund operations of the Convention & Visitors Bureau and improvements to local cultural attractions.
- ❑ Stop loss provisions for Century II and Expo Hall are included in 2005.
- ❑ The target fund balance of 5% of annual expenditures is maintained throughout the budgeting period.

DOWNTOWN TROLLEY SYSTEM...

- ❑ Revenues are received from tours, charter services and advertising, and are expected to increase 11.68% in 2005, then plateau in the out years.
- ❑ Expenditures are projected to be stable but higher than revenues. Fund balance is projected to decline.

SPECIAL ALCOHOL/SPECIAL PARKS AND RECREATION PROGRAMS...

- ❑ Tax distributions are anticipated to increase 2.5% in 2005.
- ❑ Special Alcohol Fund expenditures are used for substance abuse counseling and treatment programs. Special Parks and Recreation funds pay for recreational programs.
- ❑ Fund balances are maintained due to potential fluctuations in tax revenues.

ICE RINK MANAGEMENT...

- ❑ The City collects revenue from the operation of the Ice Sports Center and pays a contracted operator for expenses incurred and management fees.
- ❑ Park and Recreation are interim operators of facility until new management can be secured.
- ❑ The fund balance drops to zero in 2005 due to the liquidation of the receivables balance.



LANDFILL...

- ❑ User fee revenues are expected to grow 0.5% annually.
- ❑ Interest earnings are calculated at 2%, 3% and 4% in 2005, 2006 and 2007, respectively.
- ❑ Expenditures for routine operations will remain constant. The fund balance is stable.
- ❑ Closed out unspent tipping fee set-aside in 2004, increasing fund balance by approximately \$200,000.

LANDFILL POST CLOSURE...

- ❑ Revenues are almost wholly dependent upon interest rates, which are calculated identically to the Landfill Fund.
- ❑ Expenditures fund post closure maintenance of the landfill and are projected to increase 2% per year.
- ❑ Fund balance is maintained at the level required by the Kansas Department of Health and Environment.
- ❑ The City is required to maintain funds for post closure care through 2033.

CENTRAL INSPECTION...

- ❑ An agreement with the local builders association requires the City to maintain fund balance at 3 - 4 months of operating expenses. Rates are reviewed and adjusted as required to fulfill the terms of the agreement.
- ❑ Expenditures are expected to grow about 5% per year due to increases in wages and health insurance costs.
- ❑ New revenue sources will add a degree of diversity to the fund.

ECONOMIC DEVELOPMENT...

- ❑ Revenues from Industrial Revenue Bonds service fees are expected to be consistent through the budgeting period. Transfers to the Fund are for economic incentives and are subject to change annually based on incentive payment levels.
- ❑ Expenditures and fund balances are stable. Any changes are likely to be due to varying levels of incentives.

SALES TAX CONSTRUCTION PLEDGE...

- ❑ Growth in sales tax collections is estimated at 2.2% annually through the planning period.
- ❑ Expenditures pay for debt service on freeway projects and cash funding of street projects. Expenditures and fund balance may vary based on construction activity.
- ❑ Fund balance is stable. Payment for street projects could be shifted to other sources if necessary to maintain fund balance.

PROPERTY MANAGEMENT OPERATIONS...

- ❑ Revenues will decrease due to reduction in interest earnings. Fund balance will draw down to repay monies "loaned" from the General Fund.
- ❑ Except for fund transfers, expenditures are stable.

STATE OFFICE BUILDING...

- ❑ Revenues are based upon State reimbursement of City expenses to operate and maintain the leased office space.
- ❑ Revenues and expenditures are consistent through the planning period.
- ❑ Fund balance is maintained primarily for cash-flow purposes.

TAX INCREMENT FINANCING (TIF) DISTRICTS...

- ❑ Seven TIF Districts currently have expenditure or operating obligations. Two of the TIFs are for environmental remediation, and five TIFs were created for economic development purposes.
- ❑ Revenues are expected to increase in five of the seven Districts as reimbursements are received from potentially responsible parties and as property valuations increase. Revenues in the other two TIFs will remain stable.
- ❑ Expenditures are primarily related to debt service and are determined by bond repayment schedules.
- ❑ Fund balances will be used for environmental remediation projects or to pay debt service from prior years.

SELF-SUPPORTING MUNICIPAL IMPROVEMENT DISTRICT (SSMID)...

- ❑ Revenues from property taxes on the downtown area are expected to increase 2% annually as valuations increase.
- ❑ No change in the taxing rate (mill levy) is assumed.
- ❑ Expenditures represent a pass through of all funds received by the City. The target fund balance is \$0.

CITY/COUNTY JOINT OPERATIONS...

- ❑ Planning and Flood Control operations are jointly funded by the City of Wichita and Sedgwick County.
- ❑ Revenues are contributed based on actual costs incurred, and fund balance is maintained for cash flow purposes.
- ❑ Increases in expenditure budgets are due to increased wage and benefit costs for employees.

ART MUSEUM BOARD...

- ❑ A transfer from the City's General Fund provides a consistent revenue stream for Art Museum operations.
- ❑ Expenditures of City monies are limited each year by the transfer amount.
- ❑ Fund balance is minimal but stable.

CEMETERY...

- ❑ Fund revenues are expected to increase as interest rates and fund balance increase. Expenditures for maintenance are stable, as no new acreage is anticipated.

AIRPORT...

- ❑ Passenger facility charges and rental revenues are projected to continue to increase due to passenger count increases of 8 - 10% annually.



- ❑ Revenue projections include possible interruption during building phases of the new terminal with temporary displacement of parking facilities.
- ❑ Expenditure increases are due primarily to wage and benefit costs.
- ❑ The fund is positioned to support the plans provided by the 20-year Master Plan as well as the Terminal Area Plan by supporting low debt and high cash balances.
- ❑ Fund cash balance is projected to increase in anticipation of future capital improvement projects.

GOLF COURSE OPERATIONS...

- ❑ Revenues fluctuate due to weather, however, no fee increases are assumed in projections.
- ❑ Golf revenues are projected to increase by about 3% per year due to a rebounding economy and the City assuming clubhouse operations responsibility for additional courses.
- ❑ Expenditures increase through the planning period to fund operating costs for the additional clubhouses.
- ❑ Fund balance is expected to be maintained at 10% through the planning period.

TRANSIT...

- ❑ Expenditures increase by about 5% per year due to higher personal services and Federal operating costs.
- ❑ Fund balance at year-end 2005 is projected to be 16.5% of expenditures.
- ❑ New Federal operating and capital grants will provide the fund added flexibility.

SEWER UTILITY...

- ❑ Revenues are expected to increase due to growth and an adopted rate increase of 7%, in anticipation of higher debt associated with capital projects.
- ❑ Sewer debt payments increase primarily due to reconstruction/rehabilitation of existing sewers, treatment plant improvements and new plant construction.
- ❑ Fund balance will be maintained at levels consistent with the bonded debt coverage requirements.

WATER UTILITY...

- ❑ Revenues fluctuate greatly due to peak periods, however, high growth and rate structure help to maintain an operational balance.
- ❑ Revenues are expected to increase due to annual average growth of 1.4% in customer base and an adopted rate increase of 6%, in anticipation of higher debt associated with capital projects.
- ❑ Water debt payments increase due to continuing implementation of the Long-Term Water Supply Plan as well as support of growth and rehabilitation.
- ❑ Fund balance will be maintained at levels consistent with the bonded debt coverage requirements.

STORM WATER UTILITY...

- ❑ Revenues are projected to increase in 2006 and 2007 due to a rate increase, annexation and new construction.
- ❑ Expenditures are stable, but will increase in 2007 and beyond as bonds are issued on current projects.
- ❑ Fund balance will remain steady at 5% of expenditures.

INFORMATION TECHNOLOGY...

- ❑ Revenues will be consistent through the planning period, as rate reductions are offset by additional services.
- ❑ Expenditures increase as software maintenance agreements are centralized in IT, and due to an aggressive PC and hardware replacement program.
- ❑ Fund balance will be 5% of annual expenditures.

EQUIPMENT MOTOR POOL...

- ❑ Revenues increase as 1% per year rate increases are enacted in 2005 and 2006, and as additional vehicles are added to operating departments.
- ❑ Fund balance is expected to decrease to 5% of expenditures by year-end 2005. Fund balance is likely to continue to decrease unless additional changes are made to the fleet size, service expectations or vehicle rental rates.
- ❑ Expenditures fluctuate due to additional vehicle replacements and changes in the cost of critical materials such as motor fuels.

STATIONERY STORES...

- ❑ Expenditures, revenues and fund balances are not expected to change significantly in the planning period.

SELF INSURANCE...

- ❑ Self-insurance encompasses several areas: group life, group health, workers' compensation and general liability.
- ❑ Life assumes continuation of the current 50% City contribution. Revenues increase based on payroll growth. Expenditure projections are based on contracted insurance costs.
- ❑ Health insurance assumes continuation of the current 20% employee contribution from 2,800 active and 450 retired City employees. Approximately 70% of participants are anticipated to select dependent coverage.
- ❑ Workers' compensation assumes revenues increasing annually based on increases in payrolls. Expenditures are projected to increase 5% annually, based on historic trends, mitigated by Safety Office efforts to reduce injuries.
- ❑ General liability includes a one-year moratorium on automobile premiums in 2005. Tort liability transfers are assumed at current levels, and losses are estimated to increase 3% annually.



BOTANICA

Located in Sim Park near the banks of the Arkansas River in the heart of the Wichita cultural and museum district, Botanica is a 9 1/2 acre oasis of serenity and beauty. The Gardens burst with the natural color of thousands of flowers and trees. Visitors will find roses, tulips, irises, daylilies, mums, wildflowers, and hundreds more. Plants both native to Kansas and new to the area thrive in the 20 garden areas of Botanica. Each part of the Gardens has its own focus or theme, the Butterfly Garden, the Shakespearean Garden, the Aquatic Collection, the Butterfly House (added in June of 1998), the Rose Garden, and the Wildflower Garden, each giving the sensation that you are visiting not just one garden, but many beautiful, exotic, and unique gardens.